

March 25, 2024

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Name of representative: Takeshi Hakamada, Representative
Director and CEO
Securities code: 9348; Growth Market
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Notice regarding Determination of Issue Price and Other Matters

ispace, inc. (“ispace”) hereby announces that the issue price and other matters in relation to the issuance of new shares through an international offering (the “Offering”), which its Board of Directors resolved on March 13, 2024, have been determined as set forth below.

(1)	Number of Shares to be Issued	(note 1)	10,250,000 shares
(2)	Issue Price (Offer Price)	(note 2)	871 yen per share
(3)	Aggregate Amount of Issue Price (Offer Price)		8,927,750,000 yen
(4)	Amount to be Paid in	(note 2)	815.39 yen per share
(5)	Total Amount to be Paid in		8,357,747,500 yen
(6)	Increases in the Amounts of Capital Stock and Capital Reserve	Increases in the Amounts of Capital Stock Increases in the Capital Reserve	4,178,873,750 yen 4,178,873,750 yen
(7)	Payment Date		March 28, 2024
(8)	Delivery Date		March 29, 2024

(note 1) In the “Notice regarding Change in the Number of New Shares to be Issued through an International Offering” dated March 25, 2024, ispace announced that the number of new shares to be issued (the number of shares to be underwritten) through the Offering would be changed from the number of shares to be offered, which its Board of Directors resolved on March 13, 2024. The number of new shares to be issued (the number of shares to be underwritten) has been fixed as above.

(note 2) The new shares are to be underwritten and purchased by the lead manager at the amount to be paid in and offered at the issue price (offer price).

Note: This press release does not constitute an offer of any securities for sale. This press release has been prepared for the sole purpose of making a public announcement regarding the Offering, and not for the purpose of soliciting investment, etc. within or outside Japan. This press release does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States. The securities referred to in this press release have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”). The securities may not be offered or sold in the United States absent registration or an exemption from the registration requirements under the Securities Act. No public offering of the securities will take place in the United States. Since the solicitation regarding the issuance of new shares of ispace referred to in this press release is made outside Japan only to non-residents of Japan, no filing and notification under the Financial Instruments and Exchange Act of Japan will be made and no prospectus will be prepared.

(For Reference)

1. Calculation of Issue Price (Offer Price)

(1) Calculation Reference Date and Price	March 25, 2024	967 yen
(2) Discount Rate		9.93%

2. Change in the Number of Outstanding Shares as a Result of the Capital Increase

Total number of Outstanding Shares:	82,698,563 shares	(as of January 31, 2024) (note)
Number of shares to be increased by the Offering:	10,250,000 shares	
Total number of Outstanding Shares after the Offering:	92,948,563 shares	

(note) As ispace has issued stock acquisition rights, the figures above are as of January 31, 2024.

3. Use of Proceeds Raised by the Offering

ispace intends to use the estimated net proceeds of approximately 8,076 million yen from the Offering as follows:

(i) Investments in and loans to ispace technologies U.S., inc. (“ispace US”) (7,069 million yen by November 2025)

ispace intends to make investments in and loans to its consolidated subsidiary, ispace US. Of such amount, 1,829 million yen will be used to partially cover the purchase cost of the two relay satellites to be deployed in Mission 3, 2,081 million yen will be used as part of the launch cost(*) for Falcon 9 rocket of Space Exploration Technologies Corp (“SpaceX”) to be used for Mission 3, and 3,159 million yen will be used towards manufacturing costs of the lander for Mission 3.

The two relay satellites to be deployed in Mission 3 will be manufactured by Blue Canyon Technologies Inc. and will receive operational support from Advanced Space, LLC. Even after the completion of Mission 3, the two relay satellites that are to be deployed into lunar orbit will remain operational for a certain period of time. Therefore, if there is demand to deliver payloads to a similar location, these relay satellites are expected to be a major advantage in acquiring orders in subsequent missions.

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ispace has selected SpaceX as the launch provider for Mission 3, as it did for Mission 1 and Mission 2, as SpaceX has launched a large number of rockets and has a high launch success rate compared to other launch providers. Falcon 9, a medium-size rocket developed by SpaceX, has a lower launch cost compared to similarly sized rockets of other companies and has captured a significant market share.

ispace believes that the APEX 1.0 Lander (formerly called the Series 2 Lander) to be deployed in Mission 3 is being developed as planned for launch in 2026. ispace will use the data and know-how obtained from the former Series 1 Lander, which ispace used to conduct its first lunar mission in April 2023, to further strengthen performance and accelerate development.

(*) Cost for using the rocket that carries ispace's lander and transports it to outside the stratosphere.

(ii) Other working capital (1,007 million yen by March 2025)

ispace intends to use these proceeds towards general corporate purpose, such as purchasing components and materials related to the development of the missions planned in the future and personnel expenses.

For details, please refer to “Notice regarding Issuance of New Shares through an International Offering,” announced on March 13, 2024 and “Notice regarding Change in the Number of New Shares to be Issued through an International Offering” announced on March 25, 2024.

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